

# Exhibit C

# How to Improve Talent Acquisition and Retention

*Improving a company's culture involves several steps that require buy-in and commitment from management to reap the rewards of employee engagement.*

By **Moshe D. Pourad and Yosef Ayzencot** - April 19, 2023



As any entrepreneur can attest, starting a business is a costly investment. In addition to finding the right location, tailoring the space to meet your needs, and filling it with inventory, one of the most important pieces of the puzzle is hiring the right staff to represent your brand and ensure operations run smoothly. The pandemic presented nationwide staffing challenges that led to the Great Resignation and the eventual **Great Reshuffle**, with many people resigning or changing to an entirely new field of work, and employers have had to adjust to the demands of a workforce that, for all intents and purposes, is calling the shots.

People often assume the main reason workers resign from their positions is because of dissatisfaction with compensation. What many employers fail to realize is that often, it's a toxic work culture that is to blame. **MIT Sloan Management Review** research found toxic corporate culture is more than ten times more powerful than compensation in determining a company's employee attrition rate. That problem cannot be solved by merely giving bigger paychecks.

Improving a company's culture involves several steps that require buy-in and commitment from management to reap the rewards of employee engagement.

## Establish Meaningful Company Values

If you want to improve company culture, establish authentic company values that mean something to the whole team, not just leadership. At 26 Motors, my partners and I define culture as how our employees interact with us and vice versa. We have a very open culture where everyone can share their ideas and thoughts. When team members know they can express opinions and ideas without fear of reprisals from their managers or other employees, they feel more open and appreciated.

Our employees also know we will take their opinions and ideas seriously and openly, regardless of their position. Companies encouraging feedback and demonstrating that everyone is essential to the business' success lay a foundation for a workplace where employees know they are valued, not just a cog in the wheel.

## Set Your Team Up for Success

We implement methods to encourage employee participation and engagement. We hold semi-annual reviews to make sure people know how they're doing in their positions and incentivize loyalty with regular compensation boosts for good performance. New York is expensive, and we recognize the financial challenges of living in this city, so to alleviate that, we keep ourselves apprised of fair market compensations and provide sales incentive bonuses to further the success of our employees.

But employee recognition doesn't just stop at the professional and financial. 26 Motors team members also get recognized for service anniversaries and birthdays with celebratory gatherings. This gives employees favorable breaks in their daily routines. Happy hours and holiday gatherings also boost camaraderie outside of work hours.

## Nurturing Diversity and Inclusion in the Workplace

Diversity and inclusion are two terms mentioned in discussions about company culture. Diversity means that a company employs people who reflect their surrounding community. The Society of Human Resource Management defines an inclusive workplace as one where everyone is treated fairly and respectfully, and all workers have the same access to the organization's opportunities and resources.

26 Motors' approach to diversity comes from the melting pot that is New York City. Our workers come from various backgrounds and cultures because that's what the city's population looks like.

Inclusion is something we take very seriously. We firmly believe that everyone deserves a second chance and that someone's past should not determine what they can achieve in

the future. This means we don't discriminate against those who may have gone down an errant path in their youth, and some of our staff even have past offenses.

All employees, regardless of their pasts, should be allowed to prove themselves, from janitors to C-suite executives. A collaboration of perspectives and life experiences brings insights that can be used to serve customers better and grow the business.

Research shows that hiring employees with past criminal offenses can have unforeseen benefits. UCLA and Northwestern University **researchers found** employees with criminal records had longer tenure and were less likely to quit than those without records. And a five-year **Johns Hopkins University study** found hires with criminal records were more likely to stay employed over their first 40 months on the job than non-offenders were.

People make mistakes when they're young, which shouldn't haunt them their entire lives, especially when trying to find employment. Many people, unfortunately, served time for things that are now legal today and that should not be held against them.

Companies that take diversity and inclusion seriously have a happier, more engaged workforce. Their employees stay on longer and positively contribute to the organization's bottom line. It also shows their communities a workforce representative of their customer base. While these two concepts are unique, combining them can make your company happier and more productive.

## Ways to Improve Talent Acquisition

Regarding ways to improve your talent acquisition, our team has found great success reeling in new talent through creating a culture committee, reviewing benefit offerings, and social media.

**Culture Committees:** A culture committee is a group of team members that plans fun and engaging activities for everyone at the company. The best culture committees have management buy-in with a budget to fund the activities employees submit and management approves.

**Expanding Benefits Offerings:** It's not always about salary. Sometimes company benefits that are relevant to employees' lives are met with the same appreciation as a raise or bonus. Examples of expanded benefit offerings include employee development, free legal advice, childcare benefits, and flexible hours.

**Social Media:** You can't deny social media's reach. Posts on social media that show happy employees working in a fun work environment can go a long way in conveying a company's

commitment to a positive culture.

Building a strong foundation of values is critical when developing a team for your business. Once you spend the time it takes to build these action items out and implement these strategies as protocols moving forward, you will quickly see the results reflected in the morale among your employees and your bottom line.

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### **Moshe D. Pourad and Yosef Ayzencot**

Moshe Pourad, co-founder of 26 Motors, oversees operations from sales, financing, DMV, inventory and more. Moshe understands first-hand the highs and lows of the car industry. Growing up, his father was a wholesale dealer who lost everything during the 2008 recession. After experiencing financial struggles, Moshe took the initiative to help support his family. As a teenager, he started working in the car business alongside his father. From washing cars, he moved up to sales and sold his first car at 15. Moshe's early experience in the car business allowed him to view the industry from a fresh perspective and he wanted to capitalize on its growth opportunities. After learning the basics and having a small shop of his own, he decided to transform the way people shop for cars. His vision was to create the hottest dealership in New York despite all the doubters who told him it was impossible. Together with Aharon Benhamo and Yosef Ayzencot, they launched 26 Motors and the rest is history. Moshe has since been the backbone of the business, helping expand the brand to multiple locations by working one-on-one with every department in the dealership. Yosef Ayzencot, co-founder of 26 Motors, a New York-based independent pre-owned car dealership, oversees accounting and staff management. An Israeli immigrant, he first came to America on his honeymoon. While visiting New York, family friend Aharon Benhamo, another 26 Motors co-founder, offered him a job. Inspired by Aharon's father, an Israeli immigrant who came from nothing and became a wealthy, successful businessman, Yosef decided to make New York his new home to pursue this new career opportunity. Although he had an extensive background in accounting, he was brand new to the car business when 26 Motors opened. Driven by his desire to succeed, he learned all the ins and outs of the automotive industry and has since helped the company grow from a single location to eight throughout New York, with plans to open its newest location in Miami soon.